

Committee on Ways and Means

Social Security Protection Act of 2003 – H.R. 743

Social Security is one of our nation's most important programs, providing essential income security when a breadwinner retires, becomes disabled, or dies. Social Security and Supplemental Security Income (SSI) benefits constitute our government's largest expense, consuming approximately ¼ of our federal budget. In other words, Social Security benefits paid will double by the time children born this year finish high school.

Nearly 80 percent of Americans pay more of their taxes to support Social Security than all other government programs combined. Workers and beneficiaries have paid for and deserve enhanced Social Security protections to ensure precious program dollars are not lost through waste, fraud, and abuse.

The Social Security Protection Act

Increases oversight and holds “representative payees” accountable for mismanaging benefits

- Enables the Social Security Administration (SSA) to withhold tax refunds, refer to contract collection agencies, and use other tools to collect misused benefits from representative payees.
- Raises standards for those serving as representative payees.
- Imposes civil monetary penalties on those who mismanage benefits.

Denies Social Security benefits to fugitive felons and probation/parole violators.

Deters fraud.

- Creates new civil monetary penalties for Social Security fraud.
- Prevents persons from misrepresenting themselves when providing Social Security-related services.
- Protects Social Security employees from harm while conducting their duties.

Helps individuals with disabilities gain access to representation and helps disabled beneficiaries return to work.

- Increases access to representation in the claims process for individuals with disabilities by extending direct fee withholding to the SSI program, coinciding with a 5-year demonstration project that allows non-attorneys to qualify for direct fee payment for the first time.
- Enables the SSA to better examine alternative methods of encouraging work.
- Expands eligibility for the Work Opportunity Tax Credit.
- Enables individuals receiving disability benefits based on a parent's earnings due to a childhood disability to work without fear of losing the ability to restart those benefits if they must later stop working.

Closes a loophole allowing some teachers in Texas and Georgia to contribute just a few dollars to Social Security but receive close to \$100,000 in additional lifetime spousal benefits.

Has bipartisan support, the support of key stakeholders, and saves money.

- Approved by the House of Representatives on April 2, 2003 by a vote of 396-28. Approved, as amended, unanimously by the Senate on December 9, 2003. House is expected to take action early in 2004.
- Supported by AARP and the National Alliance for the Mentally Ill and has been supported by United Seniors Association, Citizens Against Government Waste, the National Conference of State Social Security Administrators, the Consortium for Citizens with Disabilities, the Association of Administrative Law Judges, the National Organization of Social Security Claimants' Representatives, and numerous national and local law enforcement agencies and organizations.
- Saves the unified budget approximately \$340 million over five years and almost \$800 million over 10 years according to preliminary estimates from CBO.